

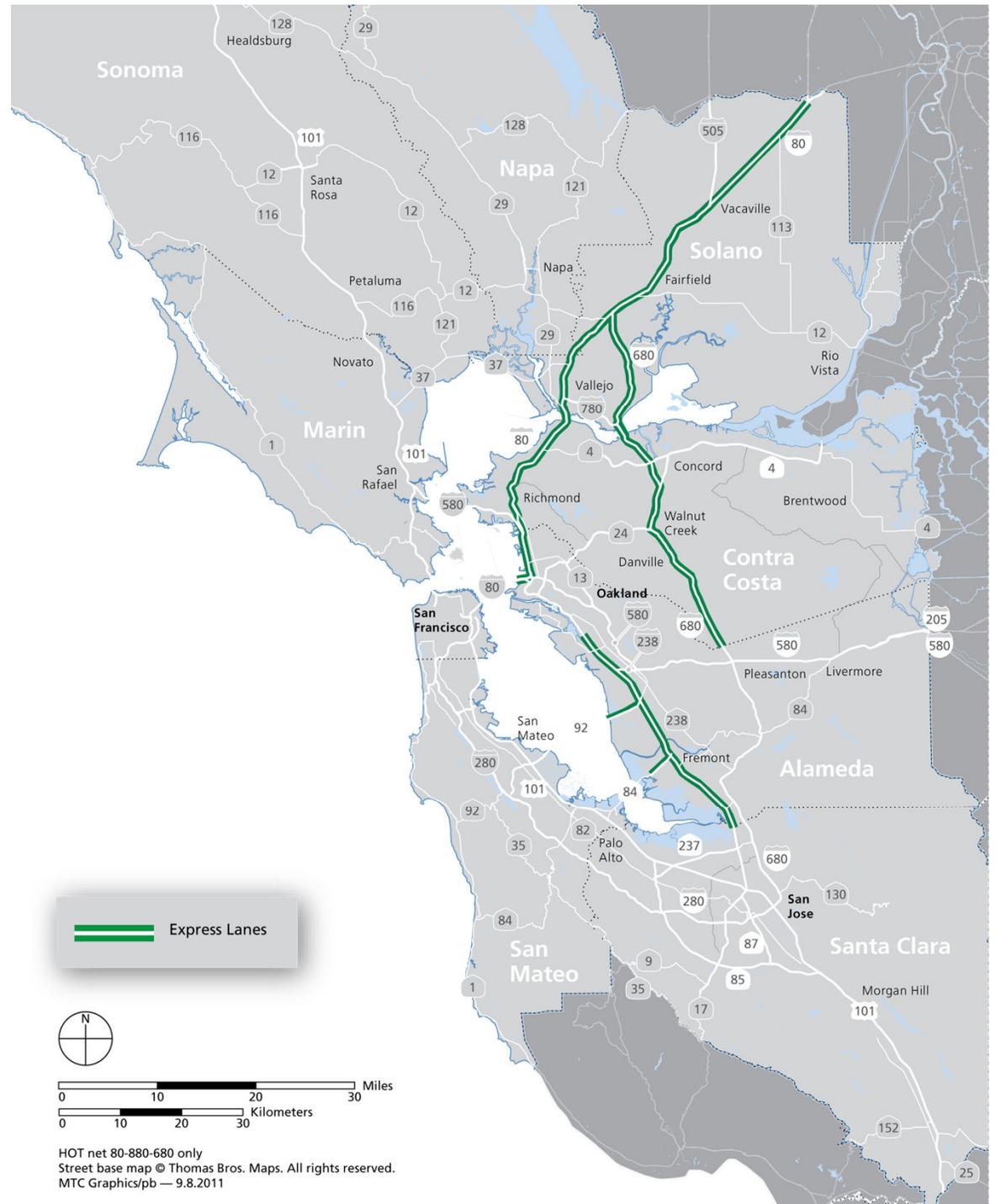
# **Bay Area Express Lanes Application to the CTC**

Commission Briefing  
September 15, 2011

# Why Bay Area Express Lanes?

- Improve mobility for carpoolers, express bus riders and motorists willing to pay
- Build on solid foundation of 420 miles of existing HOV lanes
- Generate new source of toll revenue at time of constrained federal and state budgets

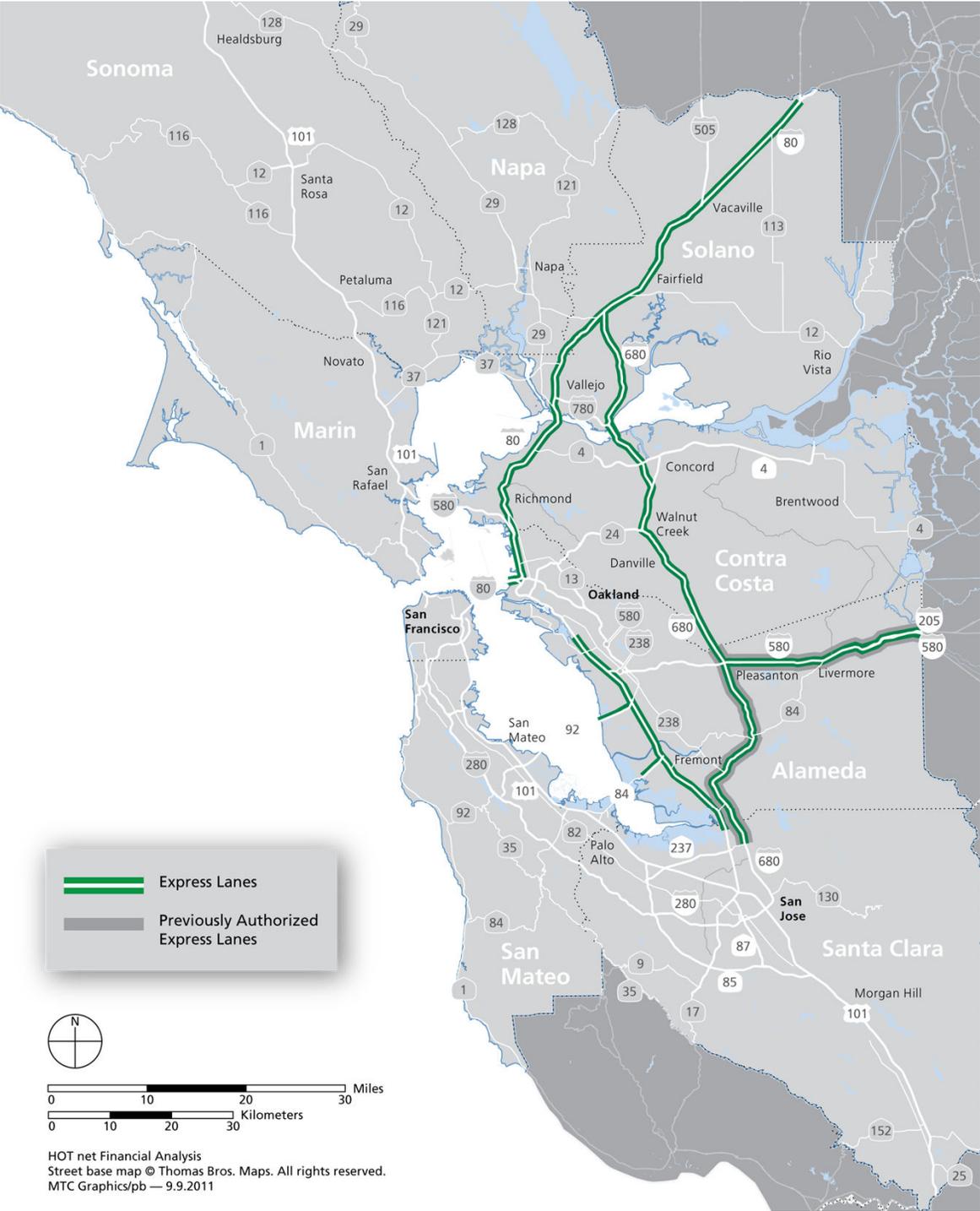
# CTC Application – The “Wishbone”





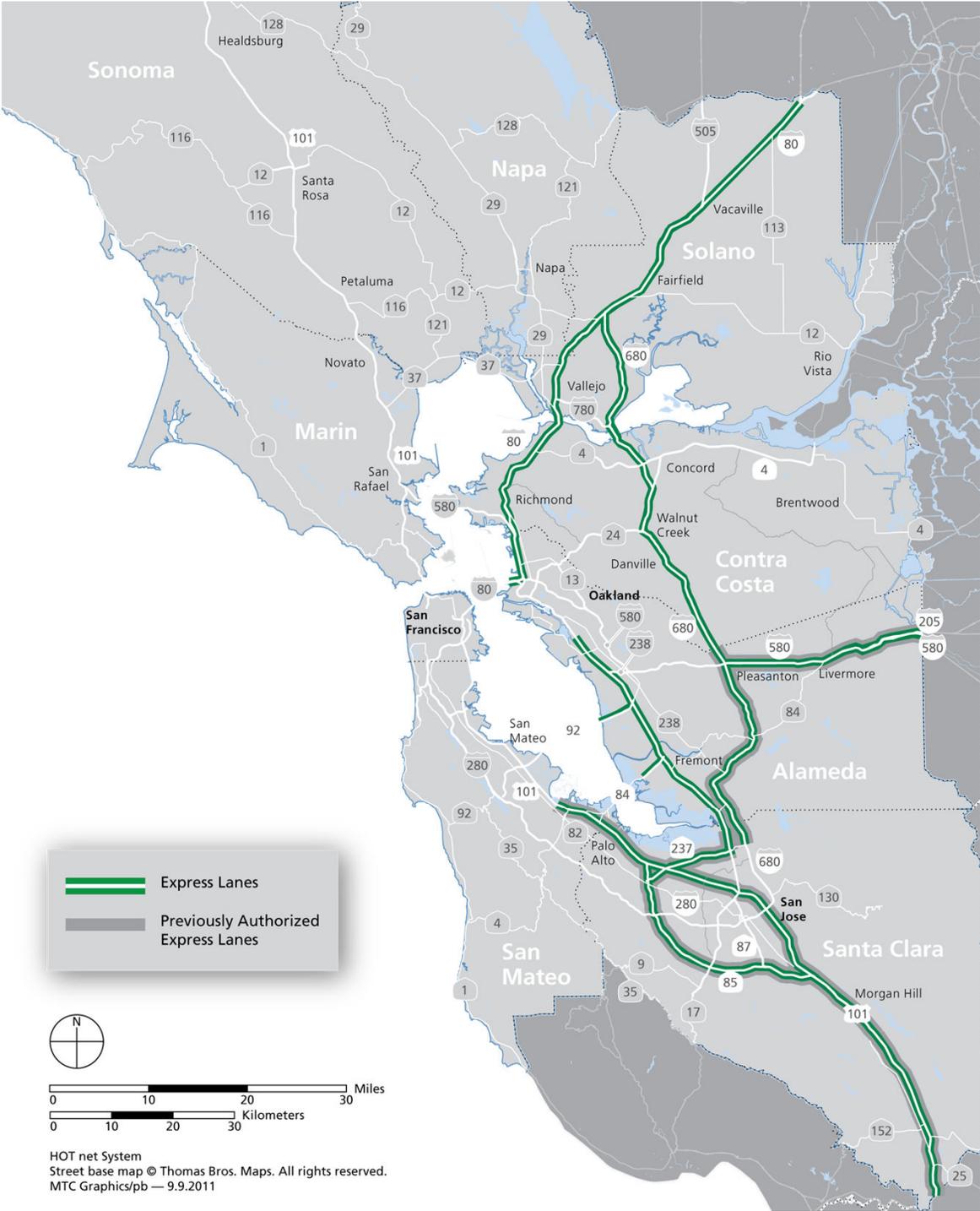


# CTC Application – Financial Analysis



HOT net Financial Analysis  
 Street base map © Thomas Bros. Maps. All rights reserved.  
 MTC Graphics/pb — 9.9.2011

# Regional Express Lane Network



HOT net System  
 Street base map © Thomas Bros. Maps. All rights reserved.  
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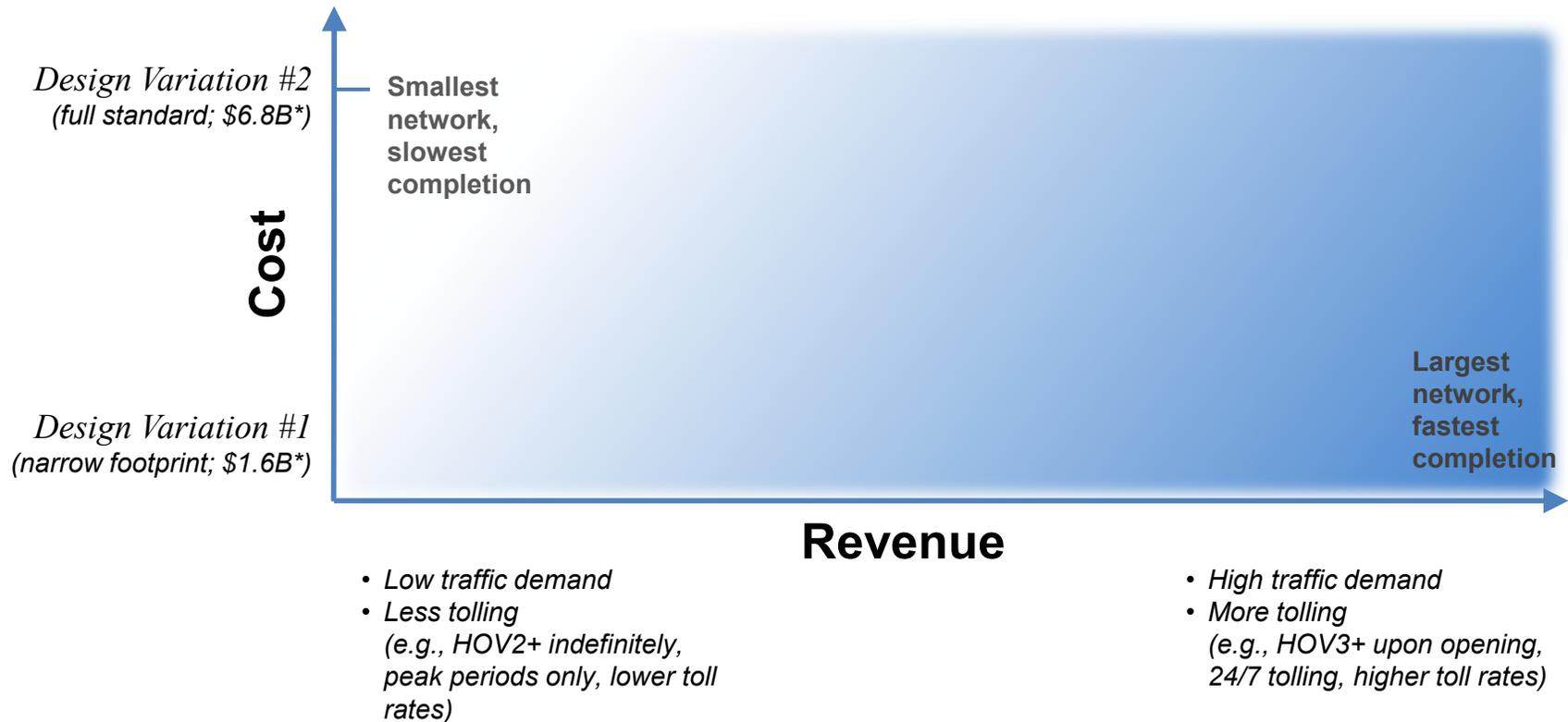
# Regional Express Lane Network Mileage

	Directional Miles		
	Previously Authorized <sup>1</sup>	New Authority	Total
Convert existing HOV lanes to express lanes <sup>2</sup>	190	150	340
Widen existing freeways to create express lanes	90	120	210
Operational gap closure	0	20	20
<b>Total</b>	<b>280</b>	<b>290</b>	<b>570</b>

<sup>1</sup> In both Alameda and Santa Clara counties

<sup>2</sup> Includes existing I-680 Sunol Express Lane (14 miles)

# Financial Feasibility Envelope

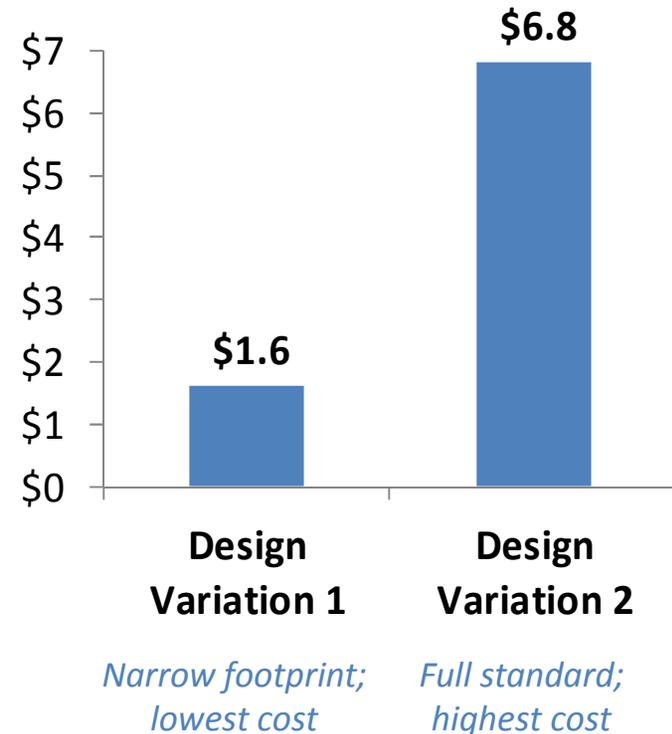


\* Costs in 2010\$

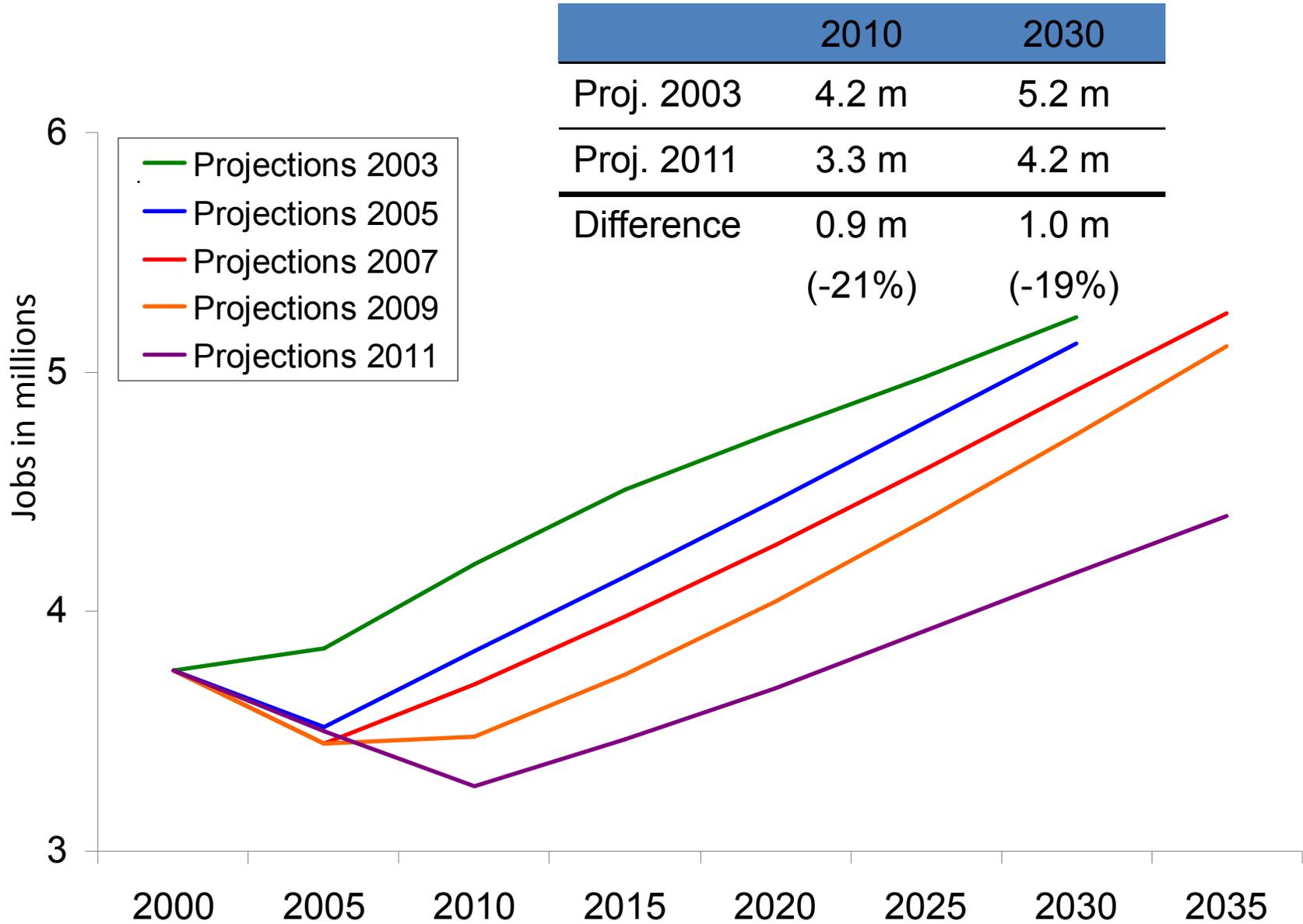
# Project Study Report Establishes Engineering Feasibility and Cost Range

- Substantial level of detail:
  - Each corridor analyzed in 1/5<sup>th</sup> mile segments
  - Unit cost data averaged from active and planned express lane projects
- Caltrans HOV guidelines used to prioritize lane & shoulder reductions
- O&M cost from active and planned express lane facilities
- Frequent CHP enforcement areas, video license plate detection & violations processing
- 40% contingency factor applied to capital cost, 25% contingency to O&M cost

**Capital Cost Range**  
(Billions of 2010\$)



# Regional Job Projections

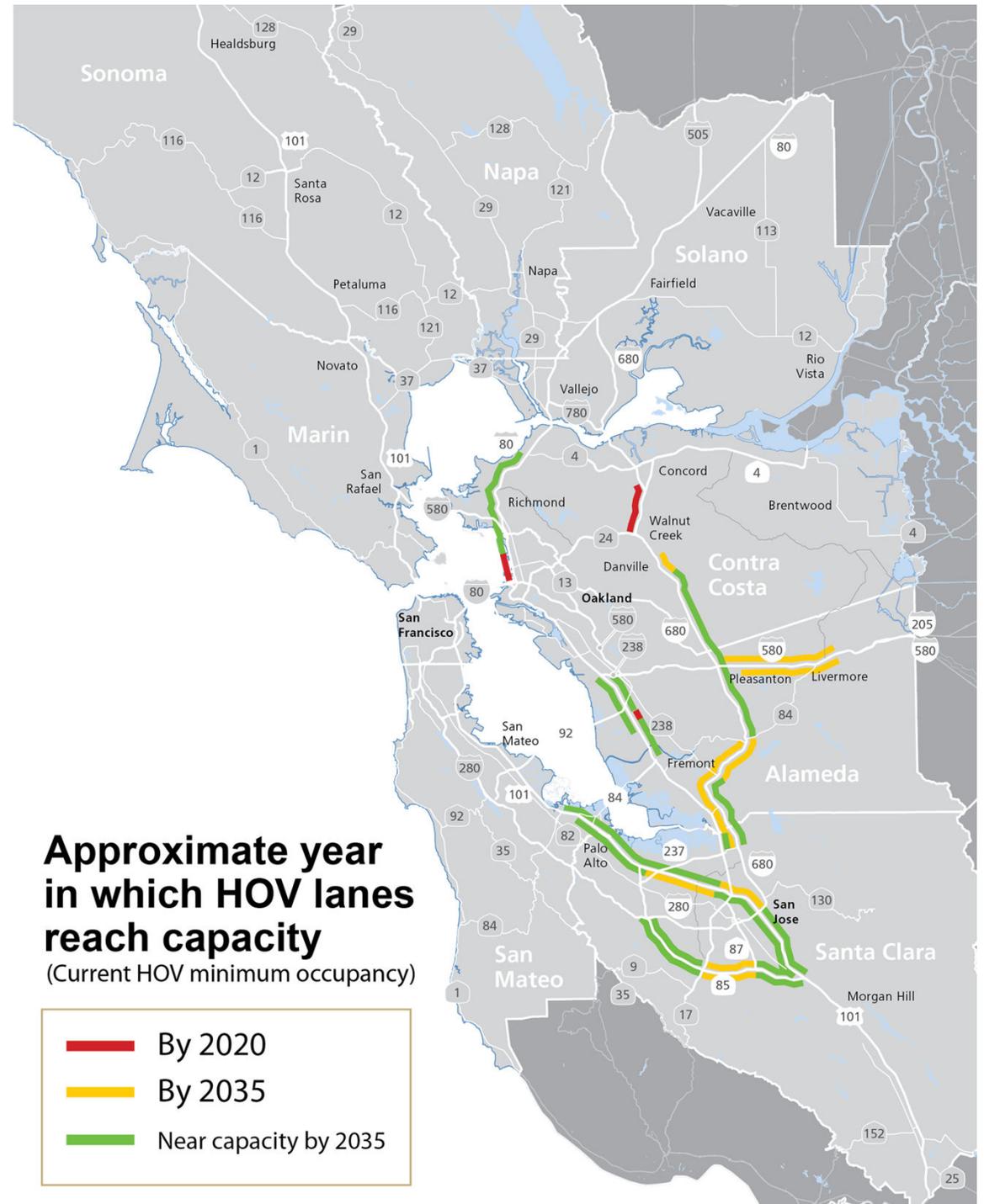


# I-680 Sunol Southbound Express Lane

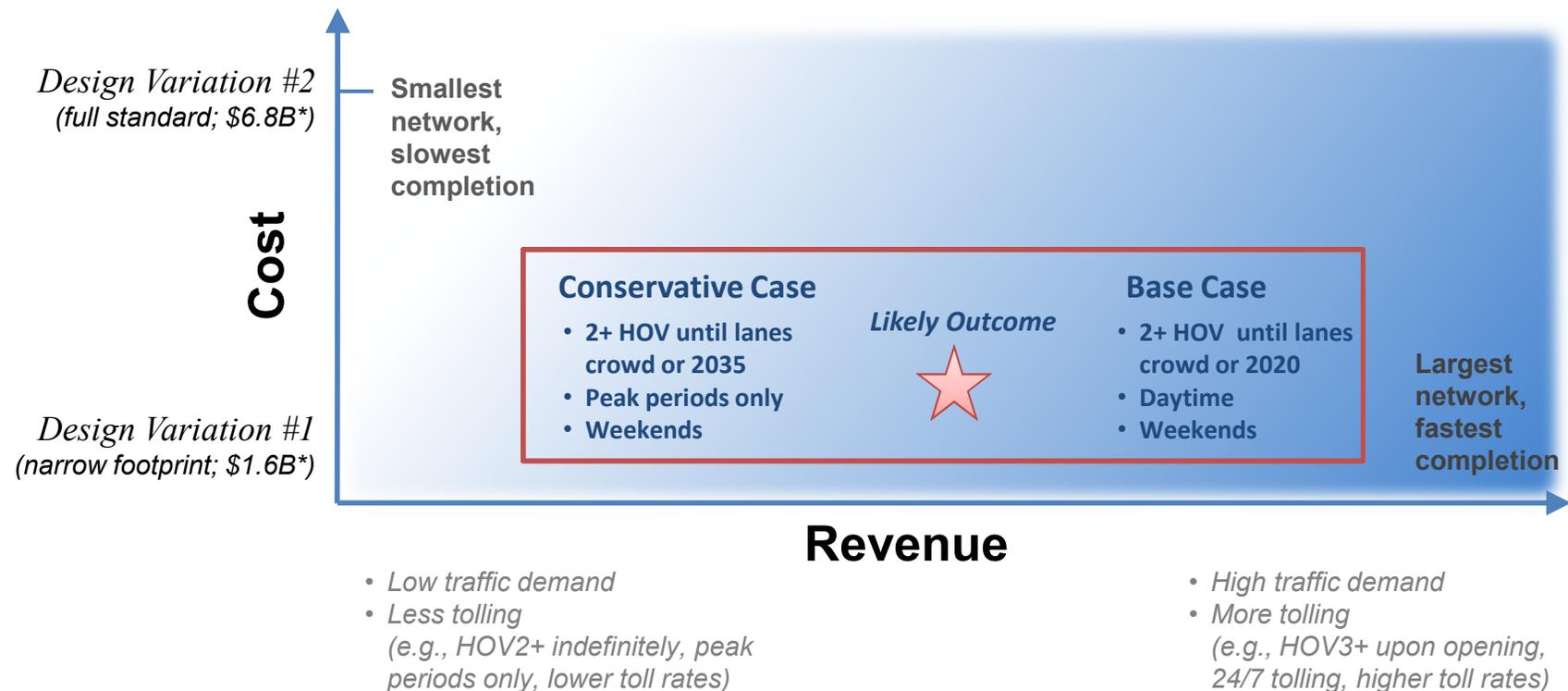
- Opened September 2010
- Below original financial projections; FY 10-11 revenue = \$660,000 (9 months)
- Test case for access, signage, communications, enforcement
- Violation rates exceed 30%
- Average tolls
  - Peak period: \$2.97
  - Off-peak: \$0.50



# When Do HOV Lanes Fill Up?



# “Bookends” for Financial Analysis in Application



- Financial analysis cases, expressed as tolling policy scenarios, provide an envelope for variations in other factors including costs and financing terms.
- Implementation of specific tolling policies would be subject to future MTC Commission actions, in consultation with regional partners.
- Emphasizes need to contain costs within Caltrans design assumptions.

# Financial Summary

*Total amounts through 2040 (millions of inflated dollars)*

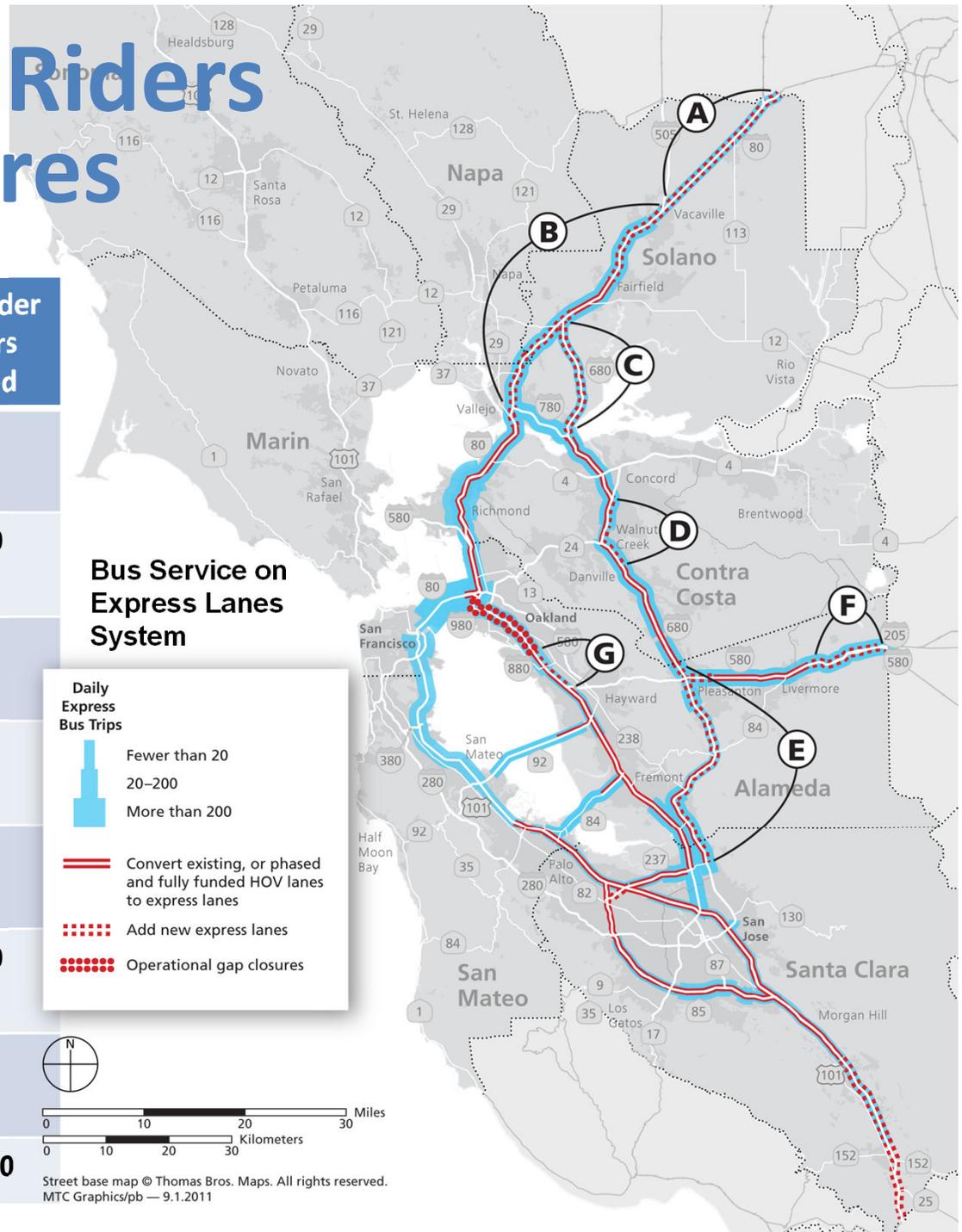
	Base Case	Conservative Case
<b>Express Lane Toll Revenue</b>	6,500	4,400
<b>Debt Proceeds (Bonds/TIFIA)</b>	2,100	2,400
<b>Local Funding</b>	100	100
<b>Grant Funding</b>	400	800
<b>Capital Costs</b>	(3,000)	(3,600)
<b>Operations, Maintenance and Rehabilitation</b>	(1,500)	(1,300)
<b>Debt Service</b>	(3,400)	(2,300)
<b>Other*</b>	100	100
<b>Potential Net Revenue**</b>	<b>1,300</b>	<b>600</b>

*\* Other includes financing fees, reserves funding/releases and interest income*

*\*\* These potential surpluses emerge in the later years (after completion of the Network), and due to their bottom-line nature, are highly sensitive to variations in toll policy, revenue, cost, schedule and financing assumptions.*

# Benefits to Bus Riders from Gap Closures

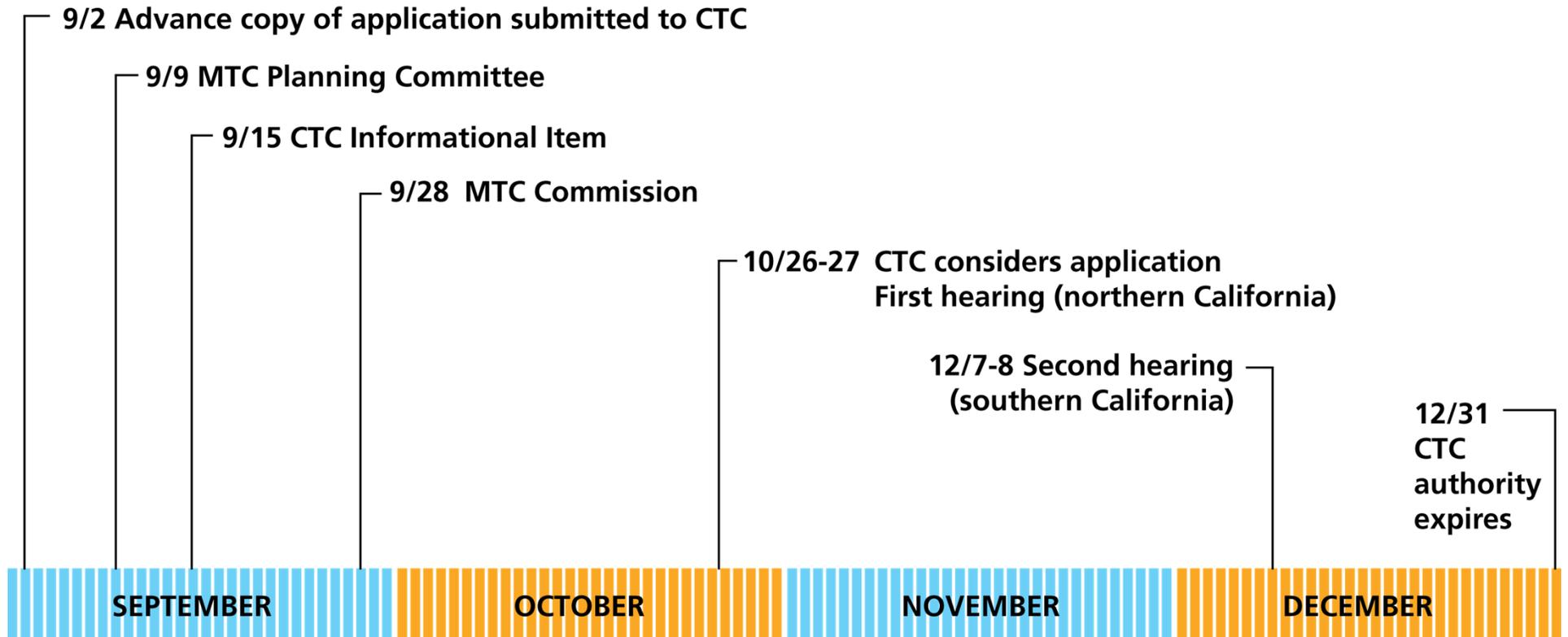
Route	Peak Hour Bus Trips (current service)	Bus Rider Hours Saved
A. I-80 Yolo County to I-505	4	90
B. I-80 I-505 to Carquinez Bridge	40	840
C. I-680 Gold Hill Rd. to I-780	4	50
D. I-680 Route 242 to North Main St.	40	70
E. I-680 Alcosta Blvd. to SR 237	4	80
F. I-580 Greenville to San Joaquin County	40	360
G. I-880 Hegenberger to Lewelling	30	90
<b>TOTAL</b>		<b>1,580</b>



# Getting Authority is Just the First Step

- Additional steps required to establish the network include:
  - Establish final Express Lane Network in Plan Bay Area
  - Conduct detailed analyses of revenue, toll policy, financing
  - Develop policies for public input and agency consultation
  - Explore delivery approaches and assign responsibilities
- Policies will be established for public input and consultation with Caltrans, CHP, and the CMAAs prior to making these major policy decisions.

# Schedule for CTC Approval



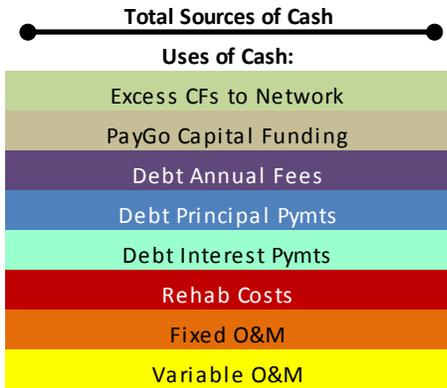


# Segments eligible for BATA funding

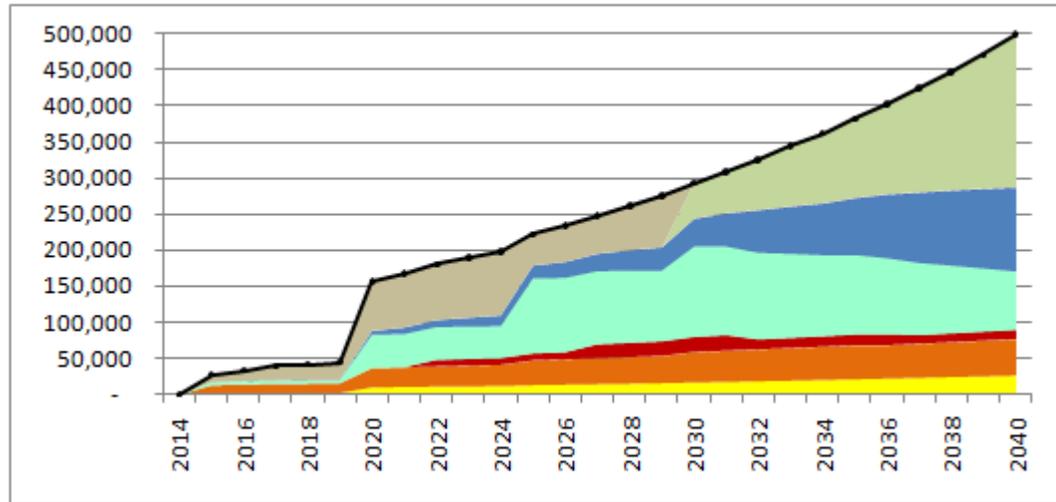


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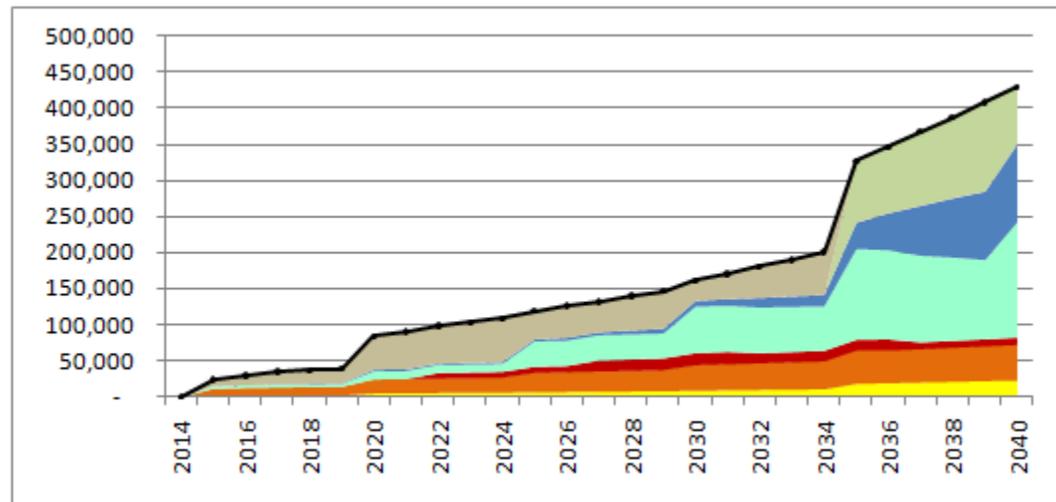
# Operating Network Cash-Flow



**Base Case**



**Conservative Case**



All figures in nominal \$000

